

Introduced by Senator Monteith

January 18, 2002

An act to add Section 6363.8 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1297, as introduced, Monteith. Sales and use taxes: exemption: energy efficient appliances.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale in this state of, or the storage, use, or other consumption in this state of, tangible personal property. That law provides various exemptions from that tax.

This bill would additionally exempt from that tax meals and food products that are furnished or served by any nonprofit veteran's organization for purposes of fundraising, as specified.

Counties and cities are authorized to impose local sales and use taxes in conformity with state sales and use taxes. Exemptions from state sales and use taxes enacted by the Legislature are incorporated into the local taxes.

Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for sales and use tax revenues lost by them pursuant to this bill.

This bill would take effect immediately as a tax levy, but its operative date would depend on its effective date.



Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6363.8 is added to the Revenue and
2 Taxation Code, to read:
3 6363.8. There are exempted from the taxes imposed by this
4 part the gross receipts from the sale of, and the storage, use or other
5 consumption in this state of, meals and food products for human
6 consumption that are furnished or served by any nonprofit
7 veteran's organization at a social or other gathering conducted by
8 it or under its auspices, if the purpose in furnishing or serving the
9 meals and food products is to obtain revenue for the functions and
10 activities of the organization and the revenue obtained from
11 furnishing or serving the meals and food products is actually used
12 in carrying on those functions and activities.
13 SEC. 2. Notwithstanding Section 2230 of the Revenue and
14 Taxation Code, no appropriation is made by this act and the state
15 shall not reimburse any local agency for any sales and use tax
16 revenues lost by it under this act.
17 SEC. 3. This act provides for a tax levy within the meaning of
18 Article IV of the Constitution and shall go into immediate effect.
19 However, the provisions of this act shall become operative on the
20 first day of the first calendar quarter commencing more than 90
21 days after the effective date of this act.

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